Starbucks Reintroduces Cake by Popular Demand

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NEW YORK (AP) — Starbucks is learning that people really like their sliced cake loaves.

The Seattle-based coffee company [1] says it will start bringing back its cake slices in response to customer feedback. The company had been getting rid of the slices that came in banana, iced lemon and pumpkin flavors as part of a staggered rollout of its new, pricier baked goods. In their place, Starbucks offered what looked like miniature loaves that cost $2.45, an increase of 20 cents.

Lisa Passe, a Starbucks spokeswoman, said the company realized that "people really like the familiar, sliced cake." She noted that the cake slices will still be made with new recipes and carry the higher prices. Without providing details, she said the slices will return "in coming weeks."

The new baked goods, which are warmed up in the Starbucks ovens, have so far been rolled out to roughly half of the company's 11,500 U.S. locations. That means about half of stores never got rid of the cake slices.

Starbucks Corp., which has long been criticized for its underwhelming baked goods, has been trying to boost sales by convincing more people to get a bite to eat with their drinks. In 2012, the company bought a small bakery chain called La Boulange that it said would start producing its baked goods with better ingredients.

Among the new items that have been hitting some stores are savory croissant squares and the sweet loaves that look like rectangular cakes, instead of the slices previously offered. One reason the new shape of the cake loaves isn't going over well may that they don't look as big.

"The look a lot smaller, and they're priced higher," said Zee Lemke, a barista at a Starbucks cafe in Madison, Wis., who said the new baked goods are doing "terribly" relative to the previous baked goods.

Lemke noted that the biggest sellers tend to be breakfast sandwiches or other foods that make people feel full, rather than the smaller "status consumption foods" Starbucks seems to be pushing. She said some of the new offerings, like the croissant squares, came across as "too fancy."

Another item that customers seem to miss is the reduced fat cinnamon swirl coffee cake, Lemke said, noting that the company didn't introduce a replacement for the offering in the revamp.

"When we launched (the new baked goods), they held a big meeting and told us how awesome it was going to be. We ended up having to throw away tons of it," she

said.

Starbucks maintains that the new baked goods are being well-received overall. In January, Chief Operating Officer Troy Alstead said that croissant sales had doubled in stores where the new recipes were introduced. But it's not clear if the spike was the result of people giving new items a try.

But Alstead also conceded that the rollout is "complex," particularly since the new baked goods have to be warmed up. The danger is that the extra step could slow down operations, which in turn could drive away impatient customers, particularly during the busy mornings.

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